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USAID Grant Agreement No. SOAG-306-04-08

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER EIGHT

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN (IROA)

TO

PROVIDE SUPPORT FOR PROGRAMS TO ACHIEVE STRATEGIC DEVELOPMENT OBJECTIVES

Dated as of September 19, 2007

AMENDMENT NUMBER EIGHT

TO

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER EIGHT TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT between the Government of the United States of America, acting through the United States Agency for International Development (USAID), and the Government of the Islamic Republic of Afghanistan (hereinafter referred to as the "Grantee" or the "IROA"), acting through the Ministry of Finance, dated as of September 19, 2007

WHEREAS, the Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") to provide support for programs to achieve strategic development objectives (USAID Grant Agreement No SOAG-306-04-00) dated September 19, 2005 and subsequently amended that SOAG on

- September 30, 2005 (Amendment No 1),
- April 6, 2006 (Amendment No 2),
- May 11, 2006 (Amendment No 3),
- June 28, 2006 (Amendment No 4),
- September 18, 2006 (Amendment No 5),
- July 2, 2007 (Amendment No 6), and,
- July 23, 2007 (Amendment No 7)

The SOAG as so amended is referred to hereinafter as the "Agreement "

WHEREAS, USAID and the Grantee desire to further amend the Agreement to (a) increase the USAID contribution by **Thirty Three Million Two Hundred Thirty Three Thousand Five Hundred Twenty Two** United States (U S) Dollars **(U.S. $33,233,522)**, and (b) update the illustrative financial plan to cross reference and cross-walk the original SOAG budget information against the new standardized program budget structure

NOW, THEREFORE, the Parties hereto hereby agree that the Agreement shall be amended as follows

1 The first sentence in Section 3 1(a) of the Agreement is deleted in its entirety and the following is substituted in lieu thereof "(a) The Grant To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants to the Grantee under the terms of this Agreement not to exceed **Three Hundred Thirty Nine Million Six Hundred Ninety Three Thousand Eight Hundred Three and Ten Hundreths** United States (U S) Dollars **(U.S. $ 339,693,803.10)** (the 'Grant') "

2 The illustrative financial plan set forth in Attachment 1 to Annex 1 to the Agreement is deleted and the updated illustrative financial plan attached hereto as Attachment A and Attachment B to this Amendment is substituted in lieu thereof

Except as further amended herein, all other terms and conditions of the Agreement remain unchanged and in full force and effect This Amendment is prepared in both English and Dari (capitalized terms not defined in this Amendment shall have the meanings ascribed thereto in the Agreement) In the event of ambiguity or conflict between the two versions, the English language version will control

IN WITNESS WHEREOF, the United States of America and the Government of the Islamic Republic of Afghanistan, each acting through its duly authorized representatives, have caused this Amendment Number Eight to be signed in their names and delivered as of the day, month and year first written above

THE UNITED STATES OF AMERICA

By _____
Name: Robin Phillips
Title Mission Director,
USAID/Afghanistan

THE ISLAMIC REPUBLIC OF AFGHANISTAN

By _____
Name: Anwar-ul-Haq Ahady
Title Minister of Finance

Appropriation ES SUP 2007/2008 (ESF)
Amount: $15,000,000

Appropriation ES NOA 2007/2008 (ESF)
Amount: $2,000,000, $1,477,000

Appropriation DV NOA 2007/2008 (DA)
Amount $14,756,522

Attachment A

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010

Amedment No.8

In Thousands of U.S. Dollars

Objective and Activities	Amount Obligated prior to Amendment No 8	Amount Obligated in Amendment No 8	Cumulative Obligations in FY 2005 - FY 2006 *	Amount Remaining to be Obligated in FY 2007 - FY 2010 **	Total Estimated Contribution
PROVIDE PROGRAM SUPPORT FOR PROGRAMS TO ACHIEVE STRATEGIC DEVELOPMENT OBJECTIVES **USAID Grant Agreement No. SOAG-306-04-00**					
Quick Impact Program & LGCD - PRTs	101,869	17,000	118,869	91,827	210,696
Disarmament, Demobilization and Reintegration Program (DDR)	-	-	-	-	-
Other Cross-Cutting Initiatives (includes ARTF, NSP, Capacity Building, etc) ***	187,638	-	187,638	797,020	984,658
USAID Program Support	16,953	16,234	33,187	63,504	96,691
TOTAL OBJECTIVE 4	306,460	33,234	339,694	952,351	1,292,045

*NOTE * -- References to "FY" refer to the USG fiscal year for the USAID contribution and the GOA contributions beginning in the second half of Afghan year 1384*

*NOTE ** -- These funds are subject to the availability of funds to USAID and the Grantee and the other conditions set forth respectively in Section 3 1 (b) and Section 3 2 (b) of the Agreement*

*NOTE *** -- The illustrative financial plan previously included a line item for "Pre-existing Mortgages", however, the funds in that line item are now included in the relevant programmatic line items indicated above*

Attachment B

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010
Amendment No. 8
In Thousands of U.S Dollars

Objective	Program Area		Program Element		Old Activity/Intermediate Results (IR) Title	Amount Obligated prior to Amendment No 8 *	Amount Obligated in Amendment No 8	Cumulative Obligations in FY 2005 - FY 2007**	Amount Remaining to be Obligated in FY 2007 - FY 2010***	Total Estimated Contribution
PROVIDE PROGRAM SUPPORT FOR PROGRAMS TO ACHIEVE STRATEGIC DEVELOPMENT OBJECTIVES USAID Grant Agreement No SOAG-306-04-00										
1 Peace & Security	6	Conflict mitigation and Reconciliation	1 6 1	1 6 1 Conflict Mitigation	Quick Impact Program and LGCD - PRTs	92,869	15,000	107,869	71,223	179,092
			1 6 2	1 6 2 Peace and Reconciliation Processes		0		0		-
			1 6 4	1 6 4 Program Support (Conflict)		9,000	2,000	11,000	20,604	31,604
						101,869	**17,000**	**118,869**	**91,827**	**210,696**
2 Governing Justly and Democratically	2 2	Good Governance	2 2 2	Public Sector Executive Function	Other Cross-Cutting Initiatives (includes ARTF NSP Capacity Building, etc)	184,638	0	184,638	797,020	981,658
						184,638	**0**	**184,638**	**797,020**	**981,658**
3 Investing in People	3	Social and Economic Services and Protection for	3 3 2	Social Services	Leahy Program	3,000	0	3,000	-	3,000
						3,000	**0**	**3,000**	**0**	**3,000**
6 Operating Unit Management	6	Cross Cutting Management and Staffing	6 1 1	Program Support (Cross Cutting)	Program Support	16,953	16,234	33,187	63,504	96,691
						16,953	**16,234**	**33,187**	**63,504**	**96,691**
TOTAL OBJECTIVE 4						**306,460**	**33,234**	**339,694**	**952,351**	**1,292,045**

*NOTE * -- In the absence of a detailed audit of prior obligations executed before Amendment No 8, amounts have been attributed equally accross Program Elments*
*NOTE ** -- References to "FY" refer to the USG fiscal year*
*NOTE *** -- These funds are subject to the availability of funds to USAID and the other conditions set forth in Section 3 1 (b) of the Agreement*